HOUSE BILL No. 1574

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10.2-5.

Synopsis: PERF minimum benefit, COLA, and thirteenth check. Extends the minimum monthly pension benefit of \$180 for certain retired members of the public employees' retirement fund (PERF) to members who retired before December 1, 2004 (instead of December 1, 2003). Provides certain retired members of PERF a supplemental "thirteenth check" in 2005 and a cost of living adjustment (COLA) in 2006.

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Effective: July 1, 2005.

McClain

January 18, 2005, read first time and referred to Committee on Ways and Means.

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First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

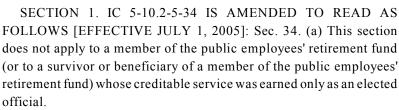
Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

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HOUSE BILL No. 1574

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:



- (b) In addition to any other cost of living increase provided under this chapter, the pension portion (plus postretirement increases to the pension portion) provided by employer contributions of the monthly benefit payable after December 31, 2003, 2005, to a member of the public employees' retirement fund (or to a survivor or beneficiary of a member of the public employees' retirement fund) who was a retired member of the fund with at least ten (10) years of creditable service and was entitled to receive a monthly benefit on December 1, 2003, 2004, may not be less than one hundred eighty dollars (\$180).
 - (c) The increases specified in this section:
 - (1) are based upon the date of the member's latest retirement or



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1	disability;			
2	(2) do not apply to benefits payable in a lump sum; and			
3	(3) are in addition to any other increase provided by law.			
4	SECTION 2. IC 5-10.2-5-38 IS ADDED TO THE INDIANA CODE			
5	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY			
6	1, 2005]: Sec. 38. (a) The pension portion (plus postretirement			
7	increases to the pension portion) provided by employer			
8	contributions of the monthly benefit payable after December 31,			
9	2005, to a member of the public employees' retirement fund (or to			
10	a survivor or beneficiary of a member) who retired or was disabled			
11	before January 1, 2005, shall be increased by two and seven-tenths			
12	percent (2.7%).			
13	(b) The monthly amount of the increase described in subsection			
14	(a) payable to a member of the public employees' retirement fund			
15	(or to a survivor or beneficiary of a member) may not be less than			
16	five dollars (\$5).			
17	(c) The increases specified in this section:			
18	(1) are based on the date of the member's latest retirement or			
19	disability;			
20	(2) do not apply to benefits payable in a lump sum; and			
21	(3) are in addition to any other increase provided by law.			
22	SECTION 3. [EFFECTIVE JULY 1, 2005] (a) As used in this			
23	SECTION, "fund" refers to the public employees' retirement fund,			
24	with respect to members (and survivors and beneficiaries of			
25	members) of that fund.			
26	(b) The amount determined in this SECTION shall be paid from			
27	the fund on or before December 1, 2005, to any person who was a			
28	retired member (or to a survivor or beneficiary of a retired			
29	member) of the fund before January 1, 2005, and who was entitled			
30	to receive a monthly benefit on November 1, 2005. The amount			
31	shall be paid in a single check. The amount is not an increase in the			
32	pension portion of the monthly benefit.			
33	(c) The amount determined under the following formula shall be			
34	paid from the fund to a retired member (or to a survivor or			
35	beneficiary of a retired member) of the fund who meets the			
36	requirements of subsection (b):			
37	STEP ONE: Multiply by twelve (12) the pension portion			
38	(plus postretirement increases to the pension portion) of			
39	the monthly benefit that was payable to the retired			
40	member (or to a survivor or beneficiary of the retired			
41	member) of the fund and provided by employer			
42	contributions during the month before the payment is			



1	made under this SECTION.			
2	STEP TWO: Multiply the amount determined in STEP			
3	ONE by the applicable percentage from the following			
4	table:	8		
5	Calendar Year of	Applicable		
6	Last Retirement of Member	Percentage		
7	Before 1990	2%		
8	1990 through 2004	1%		
9	STEP THREE: The amount of the pay	ment is equal to the	_	
10	amount of the STEP TWO product, except that the amount			
11	of the payment may not exceed three hundred dollars			
12	(\$300) and must be at least one hundred dollars (\$100).			
13	(d) This SECTION expires July 1, 2006.			
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